

O.D.S.

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10-1537

4 October 1957

MEMORANDUM FOR: IADs

SUBJECT: Commitments by DDI Personnel to Subsidize Activities of Other Agencies

The sizeable cuts made by Congress in the budget requests of most Government agencies have forced many of these agencies to eliminate or curtail certain programs, not a few of which are of vital interest to one or more DDI Offices.

It appears that in an effort to save a number of these programs and operations from being scrapped some individuals, who maintain close touch with other agencies, have made comments to the effect that CIA can pick up the tab and, in fact, have gone so far as to make actual commitments on behalf of the Agency.

Unfortunately, it has been the prevailing opinion of many Agency people that money is literally no object and that CIA has blanket authority to do just about as it chooses. This, as you realize, is not true.

These remarks, often made unwittingly, are giving us an undesirable reputation around town. Bureau of the Budget officials have made it very clear that this reputation being built by our own people will certainly do us no good in Congress to say nothing of the Executive Branch. Further, the actual fact is that the Agency does not have the authority to subsidize programs dropped by another Agency because of a reduction in funds without Bureau of the Budget approval and the Bureau has not approved such cases because they consider them a contravention of the intent of Congress.

These comments and commitments must stop and I am asking you to put the word to everyone of your professional people who have contacts with other agencies that they are to make no remarks whatsoever, let alone commitments, about the ability of this Agency to subsidize, fund or in any financial way assist any other agency to carry on its operations. Should situations develop

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where we might desire to do this they should be brought to you and then discussed with me or my staff so that a proper approach through the Bureau of the Budget may be made.

/s/

ROBERT ANGER, JR.
Deputy Director (Intelligence)

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